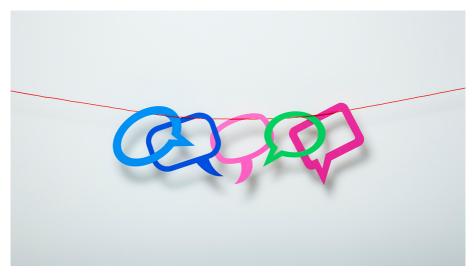
# Ensure That Your Customer Relationships Outlast Coronavirus

April 01, 2020

## **Executive Summary**

How can businesses maintain and build relationships with consumers when everyone's world has been upended? Drawing on nearly 70 years of combined experience in business practice, research, and education, the authors have found that five key strategies help companies weather crises and preserve their bonds with consumers. They call this the HEART Method: *Humanize* your company, *Educate* about change, *Assure* stability, *Revolutionize* offerings, and *Tackle* the future.



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The Covid-19 pandemic has forced businesses to maintain and build relationships with consumers when their world has been upended. Businesses are now facing

tension between generating sales during a period of extreme economic hardship and respecting the threats to life and livelihood that have altered consumer priorities and preferences.

This tension is very real, particularly for newer ventures or smaller business that provide discretionary products and may not have the resources to survive long periods of severely diminished cash flow.

The coronavirus has changed even large, more established companies literally overnight. On March 16, Nordstrom's 380 stores in the U.S. and Canada bustled with typical Monday activity. Just one day later, all of those stores went dark for at least two weeks, as consumers and employees alike were told to stay away due to the risk of spreading the coronavirus. Such is the nature of business in the time of a pandemic.

What can smaller, newer, more vulnerable businesses do to strengthen relationships with consumers when social distancing has minimized or eliminated personal interaction?

Drawing on nearly 70 years of combined experience in business practice, research, and education, we have found that five key strategies help companies weather crises and preserve their bonds with consumers:

*Humanize* your company

Educate about change

**Assure** stability

 $\textbf{\textit{R}evolutionize} \ of ferings$ 

#### Tackle the future

These strategies are part of what we call the **HEART** framework of sustained crisis communication. It provides guidelines on what to say — and what not to say — to consumers during sustained crises. It emphasizes making current and potential customers aware of your company's plan for supporting them and providing new value that they might require.

#### The HEART Framework: How it Works

We'll illustrate the components of our frameworks drawing on examples ranging from big financial services firms (Fidelity Investments) to auto garages (one that we frequent in New Mexico).

## Humanize your company.

Let consumers know that your company understands the dire social circumstances at play and cares about more than simply reaping profit during this difficult time. Empathize with those affected by Covid-19, and spell out the steps you are taking to help customers, employees, and other stakeholders. Your company's social media sites and customer mailing lists are ideal vehicles for doing this.

For example, many restaurants are re-deploying staff to deliver food, rather than laying them off. Sugarfish, a sushi restaurant chain in New York City and Los Angeles, told customers it would reassign all front-of-house employees to make personalized deliveries, rather than outsourcing to delivery services. Having familiar servers deliver familiar menu items helps patrons feel reassured and comforted, and reinforces loyalty by reminding them of what they loved about the restaurant before the crisis.

In another example, financial institutions are forgiving upcoming payments. That's a great way to promote trust and goodwill. As a virus prevention precaution that has a useful element of promotion, Fidelity is asking customers to keep the Fidelity branded pen used for transactions. The pen will remind customers that Fidelity cared about both their physical and financial health during a time of crisis, and reinforce loyalty after the crisis lifts.

In communicating to your customer about what you can offer them, keep your message brief and classy. Although consumers certainly care about the "softer side" of your business, don't overplay it. Ultimately customers will care most about the value you create for them. Also, expressing too much empathy could come across as insincere and blend into the soundscape of other companies saying the same things.

# Educate consumers about how to interact with your company.

Tell them about all changes to your operation, including new hours, facility

closures, staff reductions, customer service availability, and ordering options, among others. While you can reference the emergency government regulations that necessitated these changes, it's far better if you are viewed as being proactive and motivated by your customers' best interests.

For instance, companies such as Lululemon and Apple knew that forced store closings were coming, and they closed their stores before the government ordered it. They reached out to their customer list to encourage online shopping, emphasizing their convenient return policies and responsive call services that could help customers with problems and questions.

## Assure consumers the company's values will continue.

Elaborate how, despite the upheaval in how you operate, you will continue to provide the things they have come to know and love — the defining reasons they patronize your business instead of others. If consumers value the impeccable quality of your wares or the thoughtful nature of your customer service, tell them how will you maintain those value propositions.

For instance, Yoga8, a yoga studio in Waco, Texas, that prides itself on detailed, hands-on instruction, announced the conversion of its courses to online interactive and recorded meetings. Employees of Hans Wittler's Automotive Service in Albuquerque, N.M., which prides itself on convenience and safety, now pick up vehicles for repair at customers' homes and return them later.

Elaborating these points of assurance is important in reminding consumers that your company's value proposition — your worth to them — transcends the obstacles imposed by this crisis.

### Revolutionize what consumers value about your business.

Sun Tzu, who penned *The Art of War*, recognized that chaos presents opportunity for innovation. This sentiment has reverberated through the ages. Beyond assuring customers that your company's existing value propositions will remain the same, tell them what innovations have arisen from dealing with the ongoing pandemic — after all, necessity is the mother of invention.

Tell your existing customers how you are serving them in new ways. Reach out to potential customers by offering new products or services that solve a new problem. For example, the hamburger chain Fuddruckers decided to address shortages of bread in grocery stories by baking and selling loaves directly to

consumers. Some liquor companies have decided to produce hand sanitizer from the alcohol they distill, combating nationwide sanitizer shortages.

Companies that take these measures, and let consumers know about them, will inject hope into their heartache, as they see how companies are developing ways to make their lives better. Doing so offers the added benefit of further humanizing a company.

#### Tackle the future.

Establish a timeline for when you will reevaluate the changes to your company's operations. While you must comply with any government-imposed limits, do more if you can afford it. Show customers that you are willing to go beyond what you need to do for their benefit, particularly if your company can handle the financial burden.

Your company can demonstrate going "above and beyond" in various ways, all of which point to silver linings of the pandemic experience. Make it evident that your company is well-positioned to maintain its revised business model until things return to normal, signaling that it is weathering the storm. Moreover, highlight what your company has learned from the pandemic experience, as well as how these learnings might improve the way your company operates after the pandemic ends. That is, signal that your company will come out stronger on the other side of the storm. The temporary improvements that satisfy customers now may become permanent improvements to your company's business model in the future. This will inspire confidence.

The key here is to signal that your company is taking ownership of the situation, as much as possible, rather than allowing the situation to take ownership of your company and its valued customers.

With the right customer-centric attitude and an awareness of what people need right now, companies can emerge from this crisis having strengthened their relationships with customers. Give consumers your HEART during this difficult time. It will cultivate long-lasting goodwill with past customers and help ensure they will stay with you in the future.

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